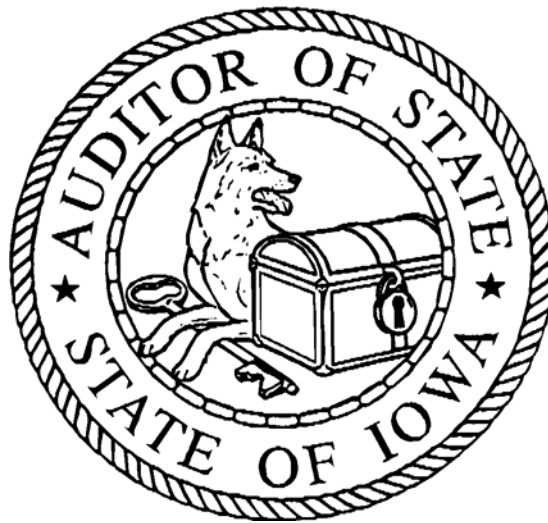


COMMUNITY COLLEGE AUDIT PROGRAM GUIDE SUPPLEMENT

For the year ended June 30, 2005



DAVID A. VAUDT, CPA
AUDITOR OF STATE

Supplement to Community College Audit Program Guide

June 30, 2005

For the fiscal year ended June 30, 2005, guidance on changes and updates is provided in this 2005 Audit Program Guide Supplement. This supplement should be used in conjunction with the fiscal 2004 Audit Program Guide previously issued by this office.

COMMUNITY COLLEGE _____**June 30, 2005****AUDIT PLANNING**

PROCEDURE	OBJ.	DONE BY	W/P REF	N/A	REMARKS
<p><i>GF-1.2 - Insert the following procedure and renumber other steps as appropriate:</i></p> <p>F. Inquire as to the existence of any attestation engagements, performance audits, or other studies (for example – Federal audits, program audits, IT audits, reviews by state agencies, etc.) that have been performed and determine the current status of any findings or recommendations identified that may directly affect the risk assessment and audit procedures in planning the current audit. (GAS Chapter 4.15)</p> <p><i>GF-1.7 - Insert the following procedure and renumber other steps as appropriate:</i></p> <p>W. Document the auditor's consideration of the risk of material misstatement due to abuse. If indications of abuse exist, plan audit procedures to determine whether abuse has occurred and the effect on the financial statements. (GAS Chapter 4.17b)</p>	A, D				

COMMUNITY COLLEGE _____**June 30, 2005****PLANNING CONFERENCE
ENTRANCE**ItemsDiscussion***GF 2.2 – Insert revised step F.1. as follows:***Discussed?

F. Auditor's responsibilities for:

1. Obtaining an understanding, testing and reporting on internal controls and compliance with laws and regulations (discussion of par. 4.12 and 4.13 of Government Auditing Standards may be helpful).

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COMMUNITY COLLEGE _____**June 30, 2005**

PROCEDURE	OBJ.	DONE BY	W/P REF	N/A	REMARKS
<u>CASH</u> <i>GF-9.7 – Insert procedure C.5.i. as follows:</i> <ol style="list-style-type: none"> i. For cancelled checks retained electronically, determine both the front and back of the check is retained in accordance with Chapter 554D.114(5) of the Code of Iowa. <u>INVESTMENTS</u> <i>GF-9.11 – Insert revised procedure E.2. as follows:</i> <ol style="list-style-type: none"> 2. Document investment information for footnote disclosure in accordance with GASB 40 as follows: <ol style="list-style-type: none"> a. Investments on hand at June 30 should be listed by type and include maturities. b. Include the appropriate disclosures for the applicable risks: <ol style="list-style-type: none"> 1) Credit risk 2) Custodial credit risk 3) Concentration of credit risk 4) Interest rate risk 5) Foreign currency risk <u>ACCRUED PAYROLL AND RELATED ITEMS</u> <i>GF-9.27 – Delete procedure B.4.d. and renumber other steps as appropriate.</i> <i>GF-9.28 – Insert revised procedure B.6. as follows:</i> <ol style="list-style-type: none"> 6. Distinguish between: <ol style="list-style-type: none"> a. Due within one year b. Due after one year <u>LONG TERM DEBT</u> <i>GF-9.32 – Insert procedure F. as follows and renumber other steps as appropriate:</i> <ol style="list-style-type: none"> F. Refundable advances on student loans <ol style="list-style-type: none"> 1. Document balances to be reported. 2. Determine whether it is properly calculated. 	D				

COMMUNITY COLLEGE _____**June 30, 2005**

PROCEDURE	OBJ.	DONE BY	W/P REF	N/A	REMARKS
<u>REVENUES AND RECEIPTS</u> <i>GF-9.37 – Delete procedure C.7.</i> <i>GF-9.37 – Insert revised procedure E. as follows:</i> E. Sales tax 1. Determine whether sales tax was collected on the appropriate transactions and remitted to the Iowa Department of Revenue in accordance with Chapters 423.2 and 423.3 of the Code of Iowa. <u>NJTP</u> <i>GF-9.49 and GF-9.50 – Delete all procedures in section B.3.</i> <u>SINGLE AUDIT</u> <i>GF-9.59 – Insert revised procedure A.7. as follows:</i> 7. GAO <u>Government Auditing Standards</u> (the Yellow Book), 2003 revision. <u>CONTACT/CREDIT HOURS</u> <i>GF-9.82 – Insert revised procedure B. as follows:</i> B. Obtain a copy of the DE reconciled MIS summary from the Iowa Department of Education (contact Michelle Wendel at 515-281-3550).					

COMMUNITY COLLEGE

June 30, 2005

OPINION, DISCLOSURES AND OTHER REPORT INFORMATION

GF-17.1 – Insert revised form as follows:

A. Independent Auditor's Report on the financial statements:

- | | | | | | | | | |
|----|--|---|---|-----|---|--|--|---|
| 1. | Type of opinion rendered and reason for modification of opinion, if applicable | | | | | | | : |
| | <input type="checkbox"/> Business Type Activities | U | Q | D | A | | | |
| | <input type="checkbox"/> Aggregate Discretely Presented Component Units | U | Q | D | A | | | |
| 2. | Reliance on opinion of other auditors properly included in the Independent Auditor's Report | Y | N | N/A | | | | |
| 3. | Supplemental information accompanying basic financial statements (AU 551) (check applicable): | | | | | | | |
| | <input type="checkbox"/> Include "in relation to" opinion. | | | | | | | |
| | <input type="checkbox"/> Disclaim opinion on unaudited information. | | | | | | | |
| | <input type="checkbox"/> Prior year information audited by whom and type of opinion(s) rendered: | | | | | | | |
| | <input type="checkbox"/> 2004 AOS Other auditors | U | Q | D | A | | | |
| | <hr/> | | | | | | | |
| | <input type="checkbox"/> 2003 AOS Other auditors | U | Q | D | A | | | |
| | <hr/> | | | | | | | |
| | <input type="checkbox"/> 2002 AOS Other auditors | U | Q | D | A | | | |
| | <hr/> | | | | | | | |

COMMUNITY COLLEGE _____**June 30, 2005****OPINION, DISCLOSURES AND
OTHER REPORT INFORMATION*****GF-17.2 – Insert revised form as follows:***

W/P Ref.	Item	Note No.
	B. Notes to Financial Statements:	
	Summary of Significant Accounting Policies	1
	Cash and Pooled Investments	2
	Inventories	
	Capital Assets	
	Pension and Retirement Benefits	
	Anticipatory Warrants	
	Iowa School Cash Anticipation Program (ISCAP)	
	Changes in Long-Term Debt	
	Lease Purchase Agreements	
	Certificates Payable	
	Bonds and Notes Payable	
	Risk Management	
	Related Organizations	
	NJTP Programs	
	Contingencies	
	Commitments	
	Subsequent Events	
	Compensated absences	
	Segment Reporting (Bond issues etc)	
	Scholarship / Discount Allowances	
	Accumulated Depreciation / Depreciation Expense	
	Self Insurance	
	Prior Period Adjustment	
	Interfund Transfers	
	Other	

COMMUNITY COLLEGE _____

June 30, 2005

**OPINION, DISCLOSURES AND
OTHER REPORT INFORMATION**

COMMUNITY COLLEGE _____**June 30, 2005****OPINION, DISCLOSURE AND
OTHER REPORT INFORMATION*****GF-17.3 – Insert revised form as follows:***

Y = Yes
 N = No
 N/A = Not Applicable

C. IAR on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards:

1. Instances of material non-compliance	<u>Y</u> <u>N</u>	<u>GF-12's</u>
2. Instances of non-material non-compliance	<u>Y</u> <u>N</u>	<u>GF-12's</u>
3. No instances of non-compliance	<u>Y</u> <u>N</u>	<u>GF-12's</u>
4. Reportable Conditions	<u>Y</u> <u>N</u>	<u>GF-12's</u>
5. Material Weaknesses	<u>Y</u> <u>N</u>	<u>GF-12's</u>

D. IAR on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133:

1. Instances of non-compliance	See next page	
2. Reportable Conditions	<u>Y</u> <u>N</u>	<u>GF-12's</u>
3. Material Weaknesses	<u>Y</u> <u>N</u>	<u>GF-12's</u>

E. Because this audit is being conducted under Chapter 11 of the Code of Iowa, Government Auditing Standards and OMB Circular A-133, users of the report are presumed to be aware of the conditions under which the report is issued, including the requirements of state law that requires the report to be open to the public.

F. Dollar threshold used to distinguish between Type A and Type B programs \$ _____ GF-1's

G. College qualified as low-risk auditee Y N GF-1's

COMMUNITY COLLEGE _____**June 30, 2005****OPINION, DISCLOSURE AND
OTHER REPORT INFORMATION**
SINGLE AUDIT***GF-17.7 – Insert revised from as follows:*****NOTIFICATION LETTERS** – The following entities are required to receive an audit notification:

All pass-through entities not required to receive a copy of the reporting package (see previous page),

Circle applicable agencies:

Iowa Dept of Public Safety
Wallace State Office Building
LOCALIowa Dept of Education
Grimes State Office Building
LOCALIowa Dept of Human Services
Division of Fiscal Management
1st floor
Hoover State Office Building
LOCALIowa State University
Sponsored Programs Accounting
309 Beardshear Hall
Ames, Iowa 50011Iowa Dept of Public Health
Lucas State Office Building
LOCALIowa Workforce Development
Attn: Richard V. Running, Director
LOCALIowa Dept of Elder Affairs
Clemens Building
LOCALIowa Dept of Economic Development
200 East Grand
Des Moines, Iowa 50309Iowa Dept of Transportation
Attn. Tom Devine
800 Lincoln Way
Ames, IA 50010Iowa Dept of Public Defense
Iowa Homeland Security and Emergency
Management Division
Hoover Building
LOCAL

List other agencies and their addresses:

COMMUNITY COLLEGE _____**June 30, 2005****INDEPENDENT REVIEW QUESTIONNAIRE**

QUESTION	YES	NO	N/A
<p><i>GF-22.1 – Insert revised question 4. as follows:</i></p> <p>4. Are you satisfied that the evidence gathered does not disclose suspicion of abuse, fraud, violations of statutory, regulatory and contractual provisions, or other illegal acts other than those noted in the statutory comments of the report?</p>			